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By: **Prince George's County Delegation**  
Introduced and read first time: February 4, 2004  
Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2                                   **Prince George's County - Alcoholic Beverages - Micro-Breweries in College**  
3                                   **Park**  
4                                   **PG 334-04**

5 FOR the purpose of authorizing the State Comptroller to issue micro-brewery  
6 licenses to certain holders of Class D alcoholic beverages licenses if the premises  
7 are located in the City of College Park in Prince George's County; setting certain  
8 hours and days for consumer sales under a certain license; making certain  
9 stylistic changes; and generally relating to micro-brewery licenses in Prince  
10 George's County.

11 BY repealing and reenacting, with amendments,  
12 Article 2B - Alcoholic Beverages  
13 Section 2-208  
14 Annotated Code of Maryland  
15 (2001 Replacement Volume and 2003 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
17 MARYLAND, That the Laws of Maryland read as follows:

18                                   **Article 2B - Alcoholic Beverages**

19 2-208.

20 (a) There is a Class 7 micro-brewery (on- and off-sale) license.

21 (b) The license shall be issued:

22 (1) By the State Comptroller;

23 (2) Only in the following jurisdictions:

24 (i) Allegany County;

25 (ii) Baltimore City;

- 1 (iii) Baltimore County;
- 2 (iv) The City of Annapolis;
- 3 (v) Anne Arundel County;
- 4 (vi) Calvert County;
- 5 (vii) Carroll County;
- 6 (viii) Charles County;
- 7 (ix) Dorchester County;
- 8 (x) Frederick County;
- 9 (xi) Garrett County;
- 10 (xii) Harford County;
- 11 (xiii) Howard County;
- 12 (xiv) Montgomery County;
- 13 (xv) Prince George's County; and
- 14 (xvi) Talbot County;

15 (3) (i) Only to a holder of a Class B beer, wine and liquor (on-sale)  
16 license that is issued for use on the premises of a restaurant located in a jurisdiction  
17 listed in paragraph (2) of this subsection; or

18 (ii) To a holder of a Class D alcoholic beverages license that is  
19 issued for use on the premises of the existing Class D license if the premises are  
20 located in:

21 1. [the] THE 22nd Alcoholic Beverages District of Prince  
22 George's County; [and] OR

23 2. THE CITY OF COLLEGE PARK; AND

24 (4) In addition to item (3) of this subsection, in Montgomery County only  
25 to a holder of a Class H beer and light wine license that is issued for use on the  
26 premises of a restaurant located in the County.

27 (c) (1) A holder of a Class 7 micro-brewery license:

28 (i) May brew and bottle malt beverages at the license location;

1 (ii) May obtain a Class 2 rectifying license for a premises located  
2 within 1 mile of the existing Class 7 micro-brewery location to bottle malt beverages  
3 brewed at the micro-brewery location only;

4 (iii) May contract with the holder of a Class 5 brewery license, a  
5 Class 7 micro-brewery license, or a Class 2 rectifying license held under § 2-203 of  
6 this subtitle or the holder of a nonresident dealer's permit to brew and bottle malt  
7 beverages on their behalf;

8 (iv) May store the finished product under an individual storage  
9 permit or at a licensed public storage facility for subsequent sale and delivery to a  
10 licensed wholesaler, an authorized person outside this State, and for shipment back to  
11 the micro-brewery location for sale on the retail premises;

12 (v) May not collectively brew, bottle, or contract for more than  
13 22,500 barrels of malt beverages each calendar year; and

14 (vi) May enter into a temporary delivery agreement with a  
15 distributor only for delivery of beer to a beer festival or wine and beer festival and the  
16 return of any unused beer if:

17 1. The beer festival or wine and beer festival is in a sales  
18 territory for which the holder does not have a franchise with a distributor under the  
19 Beer Franchise Fair Dealing Act; and

20 2. The temporary delivery agreement is in writing.

21 (2) A Class 7 licensee who wishes to produce more than the barrelage  
22 authorized under paragraph (1)(v) of this subsection shall divest of any Class B, D, or  
23 any other retail license and obtain a Class 5 manufacturer's license.

24 (3) For the purposes of determining the barrelage limitation under  
25 paragraph (1)(v) of this subsection, any salable beer produced under contractual  
26 arrangements accrues only to the Class 7 micro-brewery licensee who is the brand  
27 owner.

28 (4) In Allegany County only, the holder of a Class 7 license:

29 (i) May brew in one location and may contract for the bottling of  
30 the malt beverage in another location; and

31 (ii) Need not meet the hotel/motel requirements for a Class B beer,  
32 wine and liquor licensee but shall meet the requirements for those Class B  
33 restaurants.

34 (d) (1) The on-sale privilege authorizes the holder, each calendar year, to  
35 sell at retail up to 4,000 barrels of beer brewed under this license to customers for  
36 consumption on the licensed premises.

1                   (2)     The off-sale privilege authorizes the holder to sell and deliver beer  
2 brewed under this license to:

3                   (i)     Any wholesaler licensed under this article to sell beer in this  
4 State; or

5                   (ii)    Any person who is located in a state other than Maryland who is  
6 authorized under the laws of that state to receive brewed beverages.

7                   (3)     (i)     This paragraph applies only in:

8                             1.     The City of Annapolis;

9                             2.     Anne Arundel County;

10                            3.     Baltimore City;

11                            4.     Baltimore County;

12                            5.     Calvert County;

13                            6.     Charles County;

14                            7.     Dorchester County;

15                            8.     Frederick County;

16                            9.     Garrett County;

17                            10.    Harford County;

18                            11.    Howard County;

19                            12.    Montgomery County;

20                            13.    Prince George's County; and

21                            14.    Talbot County.

22                   (ii)    The holder may sell at retail beer brewed under this license to  
23 customers for consumption off the licensed premises in refillable containers that are  
24 sealed by the micro-brewery licensee at the time of each refill.

25                   (e)     A holder of a Class 7 micro-brewery license:

26                   (1)     May not own, operate or be affiliated with any other manufacturer of  
27 beer except for a Class 2 rectifying license authorized by subsection (c)(1)(ii) of this  
28 section; and

29                   (2)     Notwithstanding § 2-201(b) of this subtitle, may not be granted a  
30 wholesale alcoholic beverages license.

1 (f) (1) The hours and days for consumer sales under this license are as  
2 established for a Class B license in the respective jurisdictions listed in subsection  
3 (b)(2) of this section.

4 (2) For Class D licensees ONLY in the 22nd Alcoholic Beverages District  
5 in Prince George's County [only,] OR THE CITY OF COLLEGE PARK, the hours and  
6 days for consumer sales under this license are as established for a Class D license in  
7 Prince George's County.

8 (g) In Montgomery County, a holder of a Class 7 micro-brewery license shall  
9 enter into a written agreement with the Department of Liquor Control for  
10 Montgomery County for the sale and resale of malt beverages brewed under this  
11 license in accordance with this article.

12 (h) For Talbot County, the Office of the Comptroller of Maryland shall specify  
13 which local license is the equivalent of the Class B beer, wine and liquor license  
14 specified in subsection (b)(3) of this section.

15 (i) In Carroll County, the distance restriction requirement for  
16 micro-breweries is found in § 9-207 of this article.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
18 effect June 1, 2004.